

CONTRACT PERIOD THROUGH DECEMBER 31, 2007

TO: All Departments

FROM: Department of Materials Management

SUBJECT: Contract for **STRUCTURED SETTLEMENTS (ANNUITY) SERVICES-RISK
MANAGEMENT**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **December 19, 2002.**

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

Wes Baysinger, Director
Materials Management

SF/mm
Attach

Copy to: Clerk of the Board
Peter Crowley, Risk Management
Sharon Tohtsoni, Materials Management

(Please remove Serial 97172-SC from your contract notebooks)

**SPECIFICATIONS ON INVITATION FOR BID FOR STRUCTURED SETTLEMENTS (ANNUITY)
SERVICES-RISK MANAGEMENT**

1.0 INTENT:

The intent of this Call for Bids is to identify and qualify professional and responsible providers of Structured Settlement Services (annuities) for the Maricopa County Risk Management Department. Such services shall include developing, at the direction of Maricopa County Risk Management, **annuity programs** to assist Maricopa County settle public liability, medical malpractice and workers' compensation loss of earning capacity cases.

A maximum of six (6) selected providers will be placed upon a rotating listing maintained for the assignment of cases. Cases will be assigned, at the sole discretion of Risk Management, to Providers as they arise regardless of case type, size and scope. The rotational listing will be maintained by Maricopa County Risk Management, which will contact the Provider next up on the rotational listing, as the need arises.

Provider remuneration will be based solely upon, and only result from, the purchase of an annuity or series of annuities arising out of a specifically assigned case's settlement, and only from the financial institution or insurance carrier's fees or commissions resulting from such purchase. No fee, commission or hourly rate will be paid by Maricopa County.

Award shall be made for a period of five (5) years. The rotational listing of awarded contractors will be maintained by Risk Management throughout the award period.

2.0 TECHNICAL SPECIFICATIONS/REQUIREMENTS:

- 2.1 Provider shall furnish all necessary labor, materials and equipment needed to provide structured settlement services in accordance with the provisions specified herein.
- 2.2 Provider shall develop structured settlement programs, as directed by Maricopa County, to assist Maricopa County settle public liability, medical malpractice and workers' compensation cases.
- 2.3 Provider shall attend meetings, settlement conferences, hearings or trials as directed by Maricopa County Risk Management in support of Maricopa County's casualty claim, litigation and workers' compensation management responsibilities.
- 2.4 *Provider shall offer recommendations for improvement of Maricopa County's structured settlement process.*
- 2.5 Provider shall supply claim and economic data in support of case settlement.
- 2.6 Provider shall provide written and oral case reports as directed by Risk Management.
- 2.7 Provider shall provide reports, quotes and structured settlement information and data as directed by Risk Management within the time period and in the format required.
- 2.8 At the sole discretion of, and by the date required by, Risk Management, Provider shall submit revised information, data and annuity quotes when Provider's performance differs from planned performance or a case's specifics dictate otherwise.
- 2.9 Provider shall provide quotes for annuities, treasury notes or bonds or a combination thereof, from a Risk Management, pre-approved, pre-selected number of agencies, financial institutions, or insurance or annuity companies. No less than six (6) quotes will be required without prior approval of Risk Management.

2.0 **TECHNICAL REQUIREMENTS:** (continued)

- 2.10 All quotations shall be obtained from insurance or annuity companies possessing a current minimum rating, as selected by Risk Management, from A. M. Best, Inc.
- 2.11 Provider, at the sole discretion of Risk Management, may be required to provide expert economic evaluations, damage analysis, settlement negotiation services, post settlement services (for example; document preparation) and expert trial testimony.
- 2.12 Provider shall assign one individual as the Provider's primary structured settlement professional; and, any replacements thereof shall be pre-approved by Maricopa County Risk Management.
- 2.13 Unless directed otherwise by Risk Management, all annuities must be reassigned thereby **relieving** Maricopa County of any potential contingent liability exposure should an insurance or annuity company be unable to fulfill its present or future obligations.
- 2.14 ***Sub-providers shall not be used to provide the work or services required by this Call for Bids.***
- 2.15 At any time, and at the sole discretion of, Risk Management, a specific case may be assigned or re-assigned to any Provider on the current rotational listing.
- 2.16 Maricopa County Risk Management reserves the right to remove any Provider from the rotational listing at the sole discretion and convenience of Maricopa County.
- 2.17 Provider, at Provider's own cost and expense, shall provide quotes, reports, information and data; and, represent Maricopa County regarding structured settlements at various venues as directed by Risk Management.
- 2.18 **MANDATORY PROVIDER QUALIFICATIONS:**
 - 2.18.1 Provider's firm must have an office located within Maricopa County; and, such office shall provide the structured settlement services required by this Call for Bids.
 - 2.18.2 Provider's local office must have at least five years experience providing structured settlement services to State of Arizona public entities and/or school districts.
 - 2.18.3 Provider shall demonstrate expertise and experience in evaluating, and defining the impact of proposed Federal or State of Arizona legislation that may affect structured settlements' financial advantages or tax structure.
 - 2.18.4 ***Provider shall submit a completed Qualifications Statement for performance of the work or services under this agreement. Maricopa County reserves the right to reject any Provider when, in its opinion, the Provider has not demonstrated expertise and experience to perform effectively during the agreement's period.***
 - 2.18.5 Provider shall submit a listing of five current Arizona public entity and/or school district clients including telephone number, business address and contact person.
 - 2.18.6 Provider shall demonstrate membership in, or association with, Arizona chapters of professional risk management or insurance societies or associations; for example, RIMS, PRIMA and CPCU.
 - 2.18.7 Provider shall demonstrate experience in handling cases involving medical malpractice, workers' compensation and tort liability cases.
 - 2.18.8 Provider shall submit organization charts of their Maricopa County office(s) and resumes of those employees to be assigned primary and support responsibility on behalf of Maricopa County.

2.19 USAGE REPORT:

The Contractor shall furnish the County a quarterly usage report delineating the acquisition activity governed by the Contract. The format of the report shall be approved by the County and shall disclose the quantity and dollar value of each contract item by individual unit.

2.20 TAX:

No tax shall be levied against labor. Bid pricing to include all labor, overhead tools and equipment used, profit, and any taxes that may be levied. It is the responsibility of the Contractor to determine any and all taxes and include the same in bid price.

2.21 DELIVERY:

It shall be the Contractor's responsibility to meet the County's usage requirements, as requirements arise. Maricopa County reserves the right to obtain services on the open market in the event the Contractor fails to meet the County's usage requirements.

3.0 **SPECIAL TERMS & CONDITIONS:**

3.1 CONTRACT LENGTH:

This Invitation for Bids is for awarding a firm, fixed price purchasing contract to cover a five (5) year period.

3.2 INDEMNIFICATION AND INSURANCE:

3.2.1 Indemnification.

To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including but not limited to attorney fees and costs, relating to this Contract.

The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.

The scope of this indemnification does not extend to the negligence of the County.

3.2.2 Insurance Requirements.

Contractor, at its own expense, shall purchase and maintain the herein stipulated minimum insurance with companies duly licensed, possessing a current A.M. Best, Inc. Rating of B++6, or approved unlicensed companies in the State of Arizona with policies and forms satisfactory to the County.

All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of the County, constitute a material breach of this Contract.

The Contractor's insurance shall be primary insurance as respects the County, and any insurance or self-insurance maintained by the County shall not contribute to it.

Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect coverage afforded under the insurance policies to protect the County.

The Contractor shall be solely responsible for the deductible and/or self-insured retention and the County, at its option, may require the Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.

The County reserves the right to request and to receive, within ten (10) working days, certified copies of any or all of the herein required insurance policies and/or endorsements. The County shall not be obligated, however, to review such policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of the County's right to insist on strict fulfillment of Contractor's obligations under this Contract.

The insurance policies required by this Contract, except Workers' Compensation, shall name the County, its agents, representatives, officers, directors, officials and employees as Additional Insureds.

The insurance policies required hereunder, except Workers' Compensation, shall contain a waiver of transfer of rights of recovery (subrogation) against the County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.

3.2.2.1 Commercial General Liability. Contractor shall maintain Commercial General Liability insurance with a limit of not less than \$1,000,000 for each occurrence with a \$2,000,000 Products/Completed Operations Aggregate and a \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage including, but not limited to, the liability assumed under the indemnification provisions of this Contract which coverage will be at least as broad as Insurance Service Office, Inc. Policy Form CG 00 01 10 93 or any replacements thereof.

The policy shall contain a severability of interest provision, and shall not contain a sunset provision or commutation clause, or any provision which would serve to limit third party action over claims.

The Commercial General Liability additional insured endorsement shall be at least as broad as the Insurance Service Office, Inc.'s Additional Insured, Form CG 20 10 11 85, and shall include coverage for Contractor's operations and products and completed operations.

If the Contractor subcontracts any part of the work, services or operations awarded to the Contractor, Contractor shall purchase and maintain, at all times during prosecution of the work, services or operations under this Contract, an Owner's and Contractor's Protective Liability insurance policy for bodily injury and property damage, including death, which may arise in the performance of the Contractor's work, service or operations under this Contract. Coverage shall be on an occurrence basis with a limit not less than \$1,000,000 per occurrence, and the policy shall be issued by the same insurance company that issues the Contractor's Commercial General Liability insurance.

3.2.2.2 Automobile Liability. Contractor shall maintain Automobile Liability insurance with an individual single limit for bodily injury and property damage of no less than \$1,000,000, each occurrence, with respect to Contractor's vehicles (whether owned, hired, non-owned), assigned to or used in the performance of this Contract.

- 3.2.2.3 Workers' Compensation. The Contractor shall carry Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services, as well as Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee, and \$1,000,000 disease policy limit.

If any work is subcontracted, the Contractor will require Subcontractor to provide Workers' Compensation and Employer's Liability insurance to at least the same extent as required of the Contractor.

3.2.3 Certificates of Insurance.

- 3.2.3.1 Prior to commencing work or services under this Contract, Contractor shall furnish the County with certificates of insurance, or formal endorsements as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall identify this contract number and title.

- 3.2.3.2 Prior to commencing work or services under this Contract, Contractor shall have insurance in effect as required by the Contract in the form provided by the County, issued by Contractor's insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall be made available to the County upon 48 hours notice. **BY SIGNING THE AGREEMENT PAGE THE CONTRACTOR AGREES TO THIS REQUIREMENT AND FAILURE TO MEET THIS REQUIREMENT WILL RESULT IN CANCELLATION OF CONTRACT.**

If a policy does expire during the life of the Contract, a renewal certificate must be sent to the County fifteen (15) days prior to the expiration date.

3.2.4 Occurrence Basis.

All insurance required by this contract shall be written on an occurrence basis rather than a claims-made basis.

3.2.5 Cancellation and Expiration Notice.

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

3.3 INTERNET ORDERING CAPABILITY:

It is the intent of Maricopa County to utilize the Internet to place orders under this Contract. Contractors without this capability may be considered non-responsive and not eligible for award consideration.

3.4 INQUIRIES AND NOTICES:

All inquiries concerning information herein shall be addressed to:

MARICOPA COUNTY
DEPARTMENT OF MATERIALS MANAGEMENT
ATTN: CONTRACT ADMINISTRATION
320 W. LINCOLN ST.
PHOENIX, AZ 85003

Administrative telephone inquiries shall be addressed to:

STAN FISHER, SENIOR PROCUREMENT CONSULTANT, 602-506-3274
(sfisher@mail.maricopa.gov)

Technical telephone inquiries shall be addressed to:

Joseph Campbell, Risk Management 602-506-7180

Inquiries may be submitted by telephone but must be followed up in writing. No oral communication is binding on Maricopa County.

4.0 **CONTRACT TERMS AND CONDITIONS:**

4.1 LANGUAGE FOR REQUIREMENTS CONTRACTS:

Contractors signify their understanding and agreement by signing this document, that the Contract resulting from this bid will be a requirements contract. However, this Contract does not guarantee any purchases will be made. It only indicates that if purchases are made for the services contained in this Contract, they will be purchased from the Contractor awarded that item. Orders will only be placed when a need is identified by a Using Agency or department and proper authorization and documentation have been approved.

The Department of Materials Management reserves the right to cancel Purchase Orders within a reasonable period of time after issuance. Should a Purchase Order be canceled, the County agrees to reimburse the Contractor but only for actual and documentable costs incurred by the Contractor due to and after issuance of the Purchase Order. The County will not reimburse the Contractor for any costs incurred after receipt of County notice of cancellation, or for lost profits, shipment of product prior to issuance of Purchase Order, etc.

Contractors agree to accept verbal notification of cancellation from the Department of Materials Management with written notification to follow. By submitting a bid in response to the Invitation For Bids, the Contractor specifically acknowledges to be bound by this cancellation policy.

4.2 UNCONDITIONAL TERMINATION FOR CONVENIENCE:

Maricopa County may terminate the resultant Contract for convenience by providing sixty (60) calendar days advance notice to the Contractor.

4.3 TERMINATION FOR DEFAULT:

If the Contractor fails to meet deadlines, or fails to provide the agreed upon service altogether, a termination for default will be issued. The termination for default will be issued only after the County deems that the Contractor has failed to remedy the problem after being forewarned.

4.4 TERMINATION BY THE COUNTY:

If the Contractor should be adjudged bankrupt or should make a general assignment for the benefit of its creditors, or if a receiver should be appointed on account of its insolvency, the County may terminate this Contract. If the Contractor should persistently or repeatedly refuse or should fail, except in cases for which extension of time is provided, to provide enough properly skilled workers or proper materials, or persistently disregard laws and ordinances, or not proceed with work or otherwise be guilty of a substantial violation of any provision of this Contract, then the County may terminate this Contract. Prior to termination of this Contract, the County shall give the Contractor fifteen (15) calendar days written notice. Upon receipt of such termination notice, the Contractor shall be allowed fifteen (15) calendar days to cure such deficiencies.

4.5 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:

Notice is given that pursuant to A.R.S. § 38-511 the County may cancel this Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S § 38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

4.6 ADDITIONS/DELETIONS OF SERVICE:

The County reserves the right to add and/or delete services to this Contract. If a service requirement is deleted, payment to the Contractor will be reduced proportionately, to the amount of service reduced in accordance with the bid price. If additional services are required from this Contract, prices for such additions will be negotiated between the Contractor and the County.

4.7 SUBCONTRACTING:

The Contractor may not assign this Contract or Subcontract to another party for performance of the terms and conditions hereof without the written consent of the County. All correspondence authorizing subcontracting must reference the Bid Serial Number and identify the job project.

The Subcontractor's rate for the job shall not exceed that of the Prime Contractor's rate, as bid in the pricing section, unless the Prime Contractor is willing to absorb any higher rates. The Subcontractor's invoice shall be invoiced directly to the Prime Contractor, who in turn shall pass-through the costs to the County, without mark-up. A copy of the Subcontractor's invoice must accompany the Prime Contractor's invoice.

4.8 AMENDMENTS:

All amendments to this Contract must be in writing and signed by both parties.

4.9 RETENTION OF RECORDS:

The Contractor agrees to retain all financial books, records, and other documents relevant to this Contract for five (5) years after final payment or until after the resolution of any audit questions which could be more than five (5) years, whichever is longer. The Department, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine, copy and make use of, any and all said materials.

4.10 ADEQUACY OF RECORDS:

If the Contractor's books, records and other documents relevant to this Contract are not sufficient to support and document that allowable services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

4.11 VALIDITY:

The invalidity, in whole or in part, of any provision of the Contract shall not void or affect the validity of any other provision of this Contract.

4.12 RIGHTS IN DATA:

The County shall have the use of data and reports resulting from this Contract without additional cost or other restriction except as may be established by law or applicable regulation. Each party shall supply to the other party, upon request, any available information that is relevant to this Contract and to the performance hereunder

AMERICAN SETTLEMENT CORPORATION, 1654 E ORANGEWOOD STREET, GILBERT, AZ 85296

WILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL: ☒X___ YES ___NO

INTERNET ORDERING CAPABILITY: ☒X___ YES ___NO ___% DISCOUNT N/A

OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT: ☒X___ YES ___NO

INDICATE PERCENTAGE OF M/WBE PARTICIPATION IF ANY HERE:___0___%

PRICING STEET S064101 NIGP COMMODITY CODE 94649

1.0 PRICING:

1.1 Bidder/provider agrees to fully and completely accept all terms, conditions and remunerations

as specified herein. ___ ___YES ___-NO

Terms: NET 30

Federal Tax ID Number: 86-0763693

Vendor Number: 860763693 A

Telephone Number: 480/592-9570

Fax Number: 480/592-9840

Contact Person: Patricia A Law

E-mail Address: amerset@aol.com

Company Web Site: www.amersettlecorp.com

Certificates of Insurance Required

Contract Period: To cover the period ending **December 31, 2007.**

AWARD EFFECTIVITY DATE JANUARY 01, 2003.

**CAMBRIDGE GALAHER SETTLEMENTS AND INSURANCE SERVICES, 1850 N CENTRAL SUITE
#1650, PHOENIX, AZ 85004**

WILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL: ☒ YES ☐ NO

INTERNET ORDERING CAPABILITY: ☒ YES ☐ NO _____% DISCOUNT
Structured Settlement Case Assignments can be made via email to Lori_Shipley@cisgi.com

OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT: ☒ YES ☐ NO

INDICATE PERCENTAGE OF M/WBE PARTICIPATION IF ANY HERE: 0 _____%

PRICING STEET S064101 NIGP COMMODITY CODE 94649

1.0 PRICING:

1.1 Bidder/provider agrees to fully and completely accept all terms, conditions and remunerations

as specified herein. ☐ YES ☐ NO

Terms: NET 30

Federal Tax ID Number: 36-4268480

Vendor Number: 364268480 A

Telephone Number: 800/606-8935

Fax Number: 602/427-3290

Contact Person: Lori Shipley

E-mail Address: Lori_Shipley@cisgi.com

Company Web Site: www.cambridgegalaher.com

Certificates of Insurance Required

Contract Period: To cover the period ending **December 31, 2007.**

AWARD EFFECTIVITY DATE JANUARY 01, 2003.

RINGLER ASSOCIATES INC, 345 E FLOWER STREET, PHOENIX, AZ 85012-2611

WILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL: ☒ YES ☐ NO

INTERNET ORDERING CAPABILITY: ☒ YES ☐ NO _____% DISCOUNT

OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT: ☒ YES ☐ NO

INDICATE PERCENTAGE OF M/WBE PARTICIPATION IF ANY HERE: 0 %

PRICING STEET S064101 NIGP COMMODITY CODE 94649

1.0 PRICING:

1.1 Bidder/provider agrees to fully and completely accept all terms, conditions and remunerations

as specified herein. YES -NO

Terms: NET 30

Federal Tax ID Number: 95-3315619

Vendor Number: 953315619

Telephone Number: 602/954-0400

Fax Number: 602/954-0590

Contact Person: John P. Kearns

E-mail Address: Jkearns@RinglerAssociates.com

Company Web Site: www.RinglerAssociates.com

Certificates of Insurance Required

Contract Period: To cover the period ending **December 31, 2007.**

AWARD EFFECTIVITY DATE JANUARY 01, 2003.

WARD & ASSOCIATES INC, 4517 N 12TH STREET, PHOENIX, AZ 85014

WILLING TO ACCEPT FUTURE SOLICITATIONS VIA EMAIL: ☒ YES ☐ NO

INTERNET ORDERING CAPABILITY: ☒ YES ☐ NO % DISCOUNT

OTHER GOV'T. AGENCIES MAY USE THIS CONTRACT: ☐ YES ☒ NO

INDICATE PERCENTAGE OF M/WBE PARTICIPATION IF ANY HERE: N/A %

PRICING STEET S064101 NIGP COMMODITY CODE 94649

1.0 PRICING:

1.1 Bidder/provider agrees to fully and completely accept all terms, conditions and remunerations

as specified herein. ☐ YES ☐ NO

Terms: NET 30

Federal Tax ID Number: 86-0464771

Vendor Number: 860464771

Telephone Number: 602/279-0997

Fax Number: 602/248-8053

Contact Person: Larry B. Ward

E-mail Address: lward15219@aol.com

Certificates of Insurance Required

Contract Period: To cover the period ending **December 31, 2007.**

AWARD EFFECTIVITY DATE JANUARY 01, 2003.